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IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ARIZONA

Federal Trade Commission,

Plaintiff,

vs.

ELH Consulting, LLC, an Arizona  
Limited Liability Company, also d/b/a  
Proactive Planning Solutions; Purchase  
Power Solutions, LLC, an Arizona  
Limited Liability Company; Allied  
Corporate Connection, LLC, an  
Arizona Limited Liability Company;  
Complete Financial Strategies, LLC, an  
Arizona Limited Liability Company;  
3Point14 Consultants, LLC, a Nevada  
Limited Liability Company, also d/b/a  
Elite Planning Group; Key Tech  
Software Solutions, LLC, a Delaware  
Limited Liability Company, also d/b/a  
Key One Solutions; Emory L. Holley  
IV, a/k/a Jack Holley, individually and  
as the sole member of ELH Consulting,  
LLC; Lisa Miller, individually and as  
the sole member of Allied Corporate  
Connection, LLC, Complete Financial  
Strategies, LLC, and Purchase Power  
Solutions, LLC; Rares Stelea,  
individually and as the sole member of  
3Point14 Consultants, LLC; and Justin  
Journay, individually and as the sole  
member of Key Tech Software  
Solutions, LLC,

Defendants.

No. CV 12-2246-PHX-JAT

**EX PARTE TEMPORARY  
RESTRAINING ORDER WITH  
ASSET FREEZE, APPOINTMENT  
OF A TEMPORARY RECEIVER,  
IMMEDIATE ACCESS TO  
BUSINESS PREMISES, LIMITED  
EXPEDITED DISCOVERY, AND  
AN ORDER TO SHOW CAUSE  
WHY A PRELIMINARY  
INJUNCTION SHOULD NOT  
ISSUE**

**UNDER SEAL**

Plaintiff Federal Trade Commission (“FTC”), pursuant to Sections 13(b)  
and 19 of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b) and  
57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act

1 (“Telemarketing Act”), 15 U.S.C. § 6101 *et seq.*, has filed a complaint seeking  
2 preliminary and permanent injunctive relief, and other equitable relief, including  
3 restitution for injured consumers and disgorgement of ill-gotten gains for  
4 Defendants’ acts and practices in violation of Section 5(a) of the FTC Act, 15  
5 U.S.C. 45(a), and the Telemarketing Sales Rule, 16 C.F.R. Part 310, in connection  
6 with the telemarketing and sale of debt relief services, and has moved for an *ex*  
7 *parte* Temporary Restraining Order (“TRO”) and other relief pursuant to Rule 65  
8 of the Federal Rules of Civil Procedure, Fed. R. Civ. P. 65.

### 9 FINDINGS OF FACT

10 This Court, having considered the FTC’s complaint, the TRO motion, and  
11 all attached declarations, exhibits, and memorandum of law filed in support, finds  
12 that:

13 1. This Court has jurisdiction over the subject matter of this case, there  
14 is good cause to believe it will have jurisdiction over all the parties hereto, and  
15 venue in this district is proper.

16 2. There is good cause to believe that ELH Consulting, LLC, also d/b/a  
17 Proactive Planning Solutions; Purchase Power Solutions, LLC; Allied Corporate  
18 Connection, LLC; Complete Financial Strategies, LLC; 3Point14 Consultants,  
19 LLC, also d/b/a Elite Planning Group; Key Tech Software Solutions, LLC, also  
20 d/b/a Key One Solutions; Emory L. Holley IV a/k/a Jack Holley; Lisa Miller;  
21 Rares Stelea; and Justin Journey (collectively referred to as “Defendants”) have  
22 engaged in, and are likely to continue to engage in, acts and practices that violate  
23 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), as well as various provisions of  
24 the Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310, and that the FTC is  
25 therefore likely to prevail on the merits of this action.

26 3. There is good cause to believe that consumers will suffer immediate  
27 and continuing harm from Defendants’ ongoing violations of Section 5(a) of the  
28 FTC Act and the TSR unless Defendants are restrained and enjoined by Order of  
this Court.



1 defined in the Uniform Commercial Code), cash, and trusts, including, but not  
2 limited to, any trust held for the benefit of any Defendant, any of the Individual  
3 Defendants' minor children, or any of the Individual Defendants' spouses, and  
4 shall include both existing assets and assets acquired after the date of entry of this  
5 Order.

6       2.       **"Assisting others"** includes, but is not limited to: (a) performing  
7 customer service functions, including but not limited to, receiving or responding  
8 to consumer complaints; (b) formulating or providing, or arranging for the  
9 formulation or provision of, any advertising or marketing material, including, but  
10 not limited to, any telephone script, direct mail solicitation, or the design, text, or  
11 use of images of any Internet website, email, or other electronic communication;  
12 (c) formulating or providing, or arranging for the formulation or provision of, any  
13 marketing support material or service, including but not limited to, web or Internet  
14 Protocol addresses or domain name registration of any Internet websites, affiliate  
15 marketing services, or media placement services; (d) formulating or providing, or  
16 arranging for the formulation or provision of, any material sent to consumers,  
17 including but not limited to, any form, pamphlet, brochure, or software; (e)  
18 shipping or arranging for the shipping of any material to consumers; (f) providing  
19 or arranging for the provision of mail drops; (g) providing financial consultant  
20 services, including but not limited to, offering any advice to consumers in  
21 connection with any debt relief product or service, or referring consumers to any  
22 third party in connection with any debt relief product or service; (h) providing  
23 names, or assisting in the generation of, potential customers; and (i) performing  
24 marketing, billing, or payment services of any kind.

25       3.       **"Consumer"** means any person.

26       4.       **"Corporate Defendants"** means ELH Consulting, LLC; Purchase  
27 Power Solutions, LLC; Allied Corporate Connection, LLC; Complete Financial  
28 Strategies, LLC; 3Point14 Consultants, LLC; and Key Tech Software, Solutions,  
LLC.

1           5.       **“Customer”** means any person who has paid, or may be required to  
2 pay, for products, services, plans, or programs offered for sale or sold by any other  
3 person.

4           6..       **“Debt relief product or service”** means any product, service, plan,  
5 or program represented, expressly or by implication, to renegotiate, settle, or in  
6 any way alter the terms of payment or other terms of the debt or obligation,  
7 between a person and one or more unsecured creditors or debt collectors,  
8 including but not limited to, a reduction in the balance, interest rate, or fees owed  
9 by a person to an unsecured creditor or debt collector.

10          7.       **“Defendants”** means the Individual Defendants and the Corporate  
11 Defendants, individually, collectively, or in any combination.

12          8.       **“Document” and “Electronically Stored Information (“ESI”)**  
13 is synonymous in meaning and equal in scope to the usage of the terms in Federal  
14 Rule of Civil Procedure 34(a), and includes writings, drawings, graphs, charts,  
15 photographs, audio and video recordings, computer records, digital records, and  
16 other data compilations from which information can be obtained and translated,  
17 if necessary, into reasonably usable form through detection devices. A draft or  
18 nonidentical copy is a separate Document or ESI within the meaning of the terms.

19          9.       **“Financial Institution”** means any bank, savings and loan  
20 institution, credit union, or any financial depository of any kind, including, but not  
21 limited to, any brokerage house, trustee, broker-dealer, escrow agent, title  
22 company, commodity trading company, or precious metal dealer.

23          10.       **“Individual Defendants”** means Emory L. Holley IV, Lisa Miller,  
24 Rares Stelea, and Justin Journey.

25          11.       **“Material”** means likely to affect a person’s choice of, or conduct  
26 regarding, goods or services.

27          12.       **“National Do Not Call Registry”** means the National Do Not Call  
28 registry, which is the “do-not-call” registry maintained by the FTC pursuant to 16  
C.F.R. § 310.4(b0(1)(iii)(B).

1           13.    “**Person**” means a natural person, an organization or other legal  
2 entity, including a corporation, partnership, sole proprietorship, limited liability  
3 company, association, cooperative, or any other group or combination acting as  
4 an entity.

5           14.    “**Receivership Defendants**” means ELH Consulting, LLC;  
6 Purchase Power Solutions, LLC; Allied Corporate Connection, LLC; and  
7 Complete Financial Strategies, LLC, and their successors, assigns, affiliates, or  
8 subsidiaries, and each of them by whatever names each might be known, provided  
9 that the Receiver has reason to believe they are owned or controlled in whole or  
10 in part by any of the Defendants.

11           15.    “**Telemarketer**” means any person who, in connection with  
12 telemarketing, initiates or receives telephone calls to or from a customer or donor.  
13 16 C.F.R. § 310.2(bb).

14           16.    “**Telemarketing**” means a plan, program, or campaign (whether or  
15 not covered by the Telemarketing Sales Rule, 16 C.F.R. Part 310), which is  
16 conducted to induce the purchase of goods or services or a charitable contribution  
17 by use of one or more telephones.

18           17.    The terms “**and**” and “**or**” shall be construed conjunctively or  
19 disjunctively as necessary to make the applicable phrase or sentence inclusive  
20 rather than exclusive.

**ORDER**

**IT IS ORDERED** granting (Doc. 4) as follows:

**I. PROHIBITED REPRESENTATIONS**

**IT IS ORDERED** that Defendants and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for sale, or sale of any debt relief product or service, are hereby temporarily restrained and enjoined from misrepresenting, or assisting others who are misrepresenting, expressly or by implication, any material fact, including, but not limited to the following:

A. Consumers who purchase Defendants' debt relief products or services will receive a 0% or low rate credit card or have their credit card interest rates reduced substantially;

B. Consumers who purchase Defendants' debt relief products or services will save thousands of dollars in a short time as a result of lowered credit card interest rates;

C. Consumers who purchase Defendants' debt relief products or services will be able to pay off their debts much faster as a result of lowered credit card interest rates; and

D. Defendants will provide refunds if consumers do not save a significant amount of money as a result of lowered credit card interest rates.

**II. RESTRICTIONS ON TELEMARKETING**

**IT IS FURTHER ORDERED** that Defendants and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, whether acting directly or through any corporation, subsidiary, division, or other device, in connection with the telemarketing of any

1 product or service, are hereby temporarily restrained and enjoined from:

2           A.     Requesting or receiving payment of fees or consideration for debt  
3 relief products or services before (1) they have renegotiated, settled, reduced, or  
4 otherwise altered the terms of at least one debt pursuant to a settlement agreement,  
5 debt management plan, or other such valid contractual agreement executed by the  
6 customer; and (2) the customer has made at least one payment pursuant to that  
7 agreement;

8           B.     Requesting or receiving payment of any fee or consideration in  
9 advance of obtaining a loan or other extension of credit when the seller or  
10 telemarketer has guaranteed or represented a high likelihood of success in  
11 obtaining a loan or other extension of credit;

12           C.     Initiating or causing others to initiate, an outbound telephone call to  
13 a person's telephone number on the National Do Not Call registry;

14           D.     Initiating or causing others to initiate, outbound telephone calls that  
15 fail to transmit the telephone number and name of the telemarketer or seller to any  
16 caller identification service in use by the recipient of a telemarketing call;

17           E.     Making or causing others to make, outbound telephone calls that  
18 deliver prerecorded messages to induce the purchase of goods or services when  
19 the persons to whom these outbound calls were made has not signed an express  
20 agreement, in writing, authorizing the seller to place prerecorded calls to such  
21 persons;

22           F.     Making or causing others to make, outbound telephone calls that  
23 deliver a prerecorded message in which the telemarketer or message fails to  
24 disclose truthfully, and promptly, and in a clear and conspicuous manner to the  
25 person receiving the call: (1) the identity of the seller; (2) that the purpose of the  
26 call is to sell goods and services; and (3) the nature of the goods and services;

27           G.     Making or causing others to make, outbound telephone calls to a  
28 person who previously has stated that he or she does not wish to receive an  
outbound telephone call made by or on behalf of the seller whose goods or



1 services are being offered;

2 H. Initiating or causing others to initiate, outbound telephone calls to  
3 a telephone number within a given area code when the seller has not, either  
4 directly or through another person, paid the required annual fee for access to the  
5 telephone numbers within that area code that are included in the National Do Not  
6 Call Registry;

7 I. Assisting any seller or telemarketer who engages in practices that  
8 violate 16 C.F.R. §§ 310.3(a), (c), or (d), or § 310.4.

9 **III. PRESERVATION OF RECORDS AND TANGIBLE THINGS**

10 **IT IS FURTHER ORDERED** that Defendants and their officers, agents,  
11 servants, employees, and attorneys, and those persons or in active concert or  
12 participation with them who receive actual notice of this Order by personal  
13 service, or otherwise, whether acting directly or through any corporation,  
14 subsidiary, division, or other device, are hereby temporarily restrained and  
15 enjoined from destroying, erasing, mutilating, concealing, altering, transferring,  
16 or otherwise disposing of, in any manner, directly or indirectly, any documents or  
17 records that relate to the business practices, or business or personal finances, of  
18 Defendants, or any entity directly or indirectly under the control of Defendants.

19 **IV. DISABLEMENT OF WEBSITES AND PRESERVATION OF**  
20 **ELECTRONIC RECORDS**

21 **IT IS FURTHER ORDERED** that, immediately upon service of the Order  
22 upon them, (1) any person hosting any Internet website for, or on behalf of, any  
23 Defendant, and (2) Defendants and their officers, agents, servants, employees, and  
24 attorneys, and those persons or entities in active concert or participation with any  
25 of them who receive actual notice of this Order by personal service, or otherwise,  
26 whether acting directly or through any corporation, subsidiary, division, or other  
27 device, shall:

28 A. Immediately do whatever is necessary to ensure that any Internet  
website used by Defendants for the advertising, marketing, promotion, offering

1 for sale, or sale of any debt relief product or service, including, but not limited to  
 2 www.elhconsulting.com; www.proactiveplanningsolutions.com;  
 3 www.proactiveplanningsolutions.info; www.proactiveplanningsolutions.biz;  
 4 www.proactiveplanningsolutions.net; www.firstsecuremanagment.com;  
 5 www.completefinancialstrategiesonline.com; www.theeliteplanninggroup.com;  
 6 www.financialmanagementpartnersinc.com;  
 7 www.consumerreliefsolutionsinc.com; www.purchasepowersolutionsinc.com;  
 8 www.keyonesolutionsinc.com, www.nationalbankcardmoniter.com;  
 9 www.nationalbankcardmonitorinc.com; and www.alliedcorporateconnection.com,  
 10 cannot be accessed by the public;

11 B. Prevent the destruction or erasure of any Internet website used by  
 12 Defendants for the advertising, marketing, promotion, offering for sale, or sale of  
 13 any debt relief product or service, by preserving such website in the format in  
 14 which it is maintained currently; and

15 C. Immediately notify in writing counsel for the FTC of any other  
 16 Internet website operated or controlled by any Defendant not listed in Subsection  
 17 V.A above.

## 18 **V. SUSPENSION OF INTERNET DOMAIN NAME REGISTRATIONS**

19 **IT IS FURTHER ORDERED** that, any domain name registrar shall  
 20 suspend the registration of any Internet website used by Defendants for the  
 21 advertising, marketing, promotion, offering for sale, or sale of any debt relief  
 22 product or service, including, but not limited to, www.elhconsulting.com;  
 23 www.proactiveplanningsolutions.com; www.proactiveplanningsolutions.info;  
 24 www.proactiveplanningsolutions.biz; www.proactiveplanningsolutions.net;  
 25 www.firstsecuremanagment.com; www.completefinancialstrategiesonline.com;  
 26 www.theeliteplanninggroup.com; www.financialmanagementpartnersinc.com;  
 27 www.consumerreliefsolutionsinc.com; www.purchasepowersolutionsinc.com;  
 28 www.keyonesolutionsinc.com, www.nationalbankcardmoniter.com;  
 www.nationalbankcardmonitorinc.com, and www.alliedcorporateconnection.com,

1 and provide immediate notice to counsel for the FTC of any other Internet domain  
2 names registered or controlled by any Defendants.

3 **VI. ASSET FREEZE**

4 **IT IS FURTHER ORDERED** that Defendants, and their officers, agents,  
5 servants, employees, and attorneys, and all persons or entities directly or indirectly  
6 under the control of any of them, including any financial institution, and all other  
7 persons or entities in active concert or participation with any of them who receive  
8 actual notice of this Order by personal service, facsimile transmission, email, or  
9 otherwise, are hereby temporarily restrained and enjoined from directly or  
10 indirectly:

11 A. Selling, liquidating, assigning, transferring, converting, loaning,  
12 hypothecating, disbursing, gifting, conveying, encumbering, pledging, concealing,  
13 dissipating, spending, withdrawing, or otherwise disposing of any funds, real or  
14 personal property, or other assets or any interest therein, wherever located,  
15 including any assets outside the territorial United States, that are: (1) in the actual  
16 or constructive possession of any Defendant; (2) owned or controlled by, or held,  
17 in whole or in part for the benefit of, or subject to access by, or belonging to, any  
18 Defendant; or (3) in the actual or constructive possession of, or owned or  
19 controlled by, or subject to access by, or belong to, any corporation, partnership,  
20 trust, or other entity directly or indirectly owned, managed, or under the control  
21 of any Defendant;

22 B. Opening, or causing to be opened, any safe deposit boxes titled in  
23 the name of any Defendant, or subject to access by any Defendant;

24 C. Incurring charges on any credit card, stored value card, debit card,  
25 or charge card issued in the name, singly or jointly, of any Defendant or any other  
26 entity directly or indirectly owned, managed, or controlled by any Defendant;

27 D. Obtaining a personal or secured loan for or on behalf of any  
28 Defendant;

E. Incurring liens or encumbrances on real property, personal property

1 or other assets in the name, singly or jointly, of any Defendant; and

2 F. Cashing any checks from consumers, clients, or customers of any  
3 Defendant;

4 G. The funds, property, and assets affected by this Section shall  
5 include: (a) all assets of each Defendant as of the time this Order is entered,  
6 including, without limitation, accounts held by ELH Consulting, LLC, also d/b/a  
7 Proactive Planning Solutions; Purchase Power Solutions, LLC; Allied Corporate  
8 Connection, LLC; Complete Financial Strategies, LLC; 3Point14 Consultants,  
9 LLC, also d/b/a Elite Planning Group; Key Tech Software Solutions, LLC, also  
10 d/b/a Key One Solutions; Emory L. Holley IV a/k/a/ Jack Holley; Lisa Miller;  
11 Rares Stelea; and Justin Journay, and (b) those assets obtained or received after  
12 entry of this Order that are derived from the actions alleged in Plaintiff's  
13 Complaint. This Section does not prohibit transfers to the Receiver, as  
14 specifically required in Section XIV of this Order.

#### 15 **VII. RETENTION OF ASSETS AND RECORDS BY** 16 **THIRD PARTIES**

17 **IT IS FURTHER ORDERED** that, any financial or brokerage institution,  
18 business entity, electronic data host, or person served with a copy of this Order  
19 that holds, controls, or maintains custody of any account, document, electronically  
20 stored information, or asset of, on behalf of, in the name of, for the benefit of,  
21 subject to withdrawal by, subject to access or use by, or under the signatory power  
22 of any Defendant or other party subject to Section VI above, or has held,  
23 controlled, or maintained any such account, document, electronically stored  
24 information, or asset at any time since January 1, 2010, shall:

25 A. Hold, preserve, and retain within such entity's or person's control,  
26 and prohibit the withdrawal, removal, alteration, assignment, transfer, pledge,  
27 hypothecation, encumbrance, disbursement, dissipation, conversion, sale,  
28 liquidation, or other disposal of such account, document, electronically stored  
information, or asset held by or under such entity's or person's control, except as

1 directed by further order of the Court or as directed in writing by the Receiver  
2 regarding accounts, documents, or assets held in the name of or benefit of any  
3 Receivership Defendant;

4 B. Provide the Receiver, the Receiver's agents, the FTC, and the FTC's  
5 agents immediate access to electronically stored information stored, hosted, or  
6 otherwise maintained on behalf of Defendants for forensic imaging;

7 C. Deny access to any safe deposit boxes that are either titled in the  
8 name, individually or jointly, or subject to access by, any Defendant or other party  
9 subject to Section VI above;

10 D. Provide to counsel for the FTC and the Receiver, within three (3)  
11 business days, after being served with a copy of this Order, a certified statement  
12 setting forth:

13 1. the identification of each account or asset titled in the name,  
14 individually or jointly, or held on behalf of or for the benefit of,  
15 subject to withdrawal by, subject to access or use by, or under the  
16 signatory power of any Defendant or other party subject to Section  
17 VI above, whether in whole or in part;

18 2. the balance of each such account, or a description of the  
19 nature and value of such asset, as of the close of business on the day  
20 on which this Order is served;

21 3. the identification of any safe deposit box that is either titled  
22 in the name of, individually or jointly, or is otherwise subject to  
23 access or control by, any Defendant or other party subject to Section  
24 VI above, whether in whole or in part; and

25 4. if the account, safe deposit box, or other asset has been  
26 closed or removed, the date closed or removed, the balance on said  
27 date, and the name or the person or entity to whom such account or  
28 other asset was remitted;

1           5.     Provide to counsel for the FTC and the Receiver, within  
2           three (3) business days after being served with a request, copies of  
3           all documents pertaining to such account or asset, including, but not  
4           limited to, originals or copies of account applications, account  
5           statements, signature cards, checks, drafts, deposit tickets, transfers  
6           to and from the accounts, all other debit and credit instruments or  
7           slips, currency transaction reports, 1099 forms, and safe deposit box  
8           logs; provided that such institution or custodian may charge a  
9           reasonable fee; and

10          6.     Cooperate with all reasonable requests of the Receiver  
11          relating to this Order's implementation;

12          7.     The accounts subject to this provision include: (a) all assets  
13          of each Defendant deposited as of the time this Order is entered, and  
14          (b) those assets deposited after entry of this Order that are derived  
15          from the actions alleged in Plaintiff's Complaint. This Section does  
16          not prohibit transfers to the Receiver, as specifically required in  
17          Section XIV of this Order; and

18          8.     The FTC is granted leave, pursuant to Fed. R. Civ. P. 45, to  
19          subpoena documents immediately from any financial or brokerage  
20          institution, business entity, electronic data host, or person served  
21          with a copy of this Order that holds, controls, or maintains custody  
22          of any account, document, electronically stored information, or  
23          asset of, on behalf of, in the name of, for the benefit of, subject to  
24          withdrawal by, subject to access or use by, or under the signatory  
25          power of any Defendant or other party subject to Section VI above,  
26          or has held, controlled, or maintained any such account, document,  
27          electronically stored information, or asset at any time since January  
28          1, 2010, and such financial or brokerage institution, business entity,

1 electronic data host, or person shall respond to such subpoena  
2 within three (3) business days after service.

3 **VIII. FINANCIAL STATEMENTS AND ACCOUNTING**

4 **IT IS FURTHER ORDERED** that each Defendant, within three (3)  
5 business days of service of this Order, shall prepare and deliver to counsel for the  
6 FTC:

7 A. For the Individual Defendant, a completed financial statement  
8 accurate as of the date of service of this Order upon such Defendant on the form  
9 of Attachment A to this Order captioned "Financial Statement of Individual  
10 Defendant;"

11 B. For each Corporate Defendant, a completed financial statement  
12 accurate as of the date of service of this Order upon such Defendant in the form  
13 of Attachment B to this Order captioned "Financial Statement of Corporate  
14 Defendant;" and

15 C. For all Defendants, a list of all officers and directors of each  
16 Corporate Defendant and all other individuals or entities with authority to direct  
17 the operations of each Corporate Defendant or withdraw money from the account  
18 of each Corporate Defendant.

19 **IX. CONSUMER CREDIT REPORTS**

20 **IT IS FURTHER ORDERED** that pursuant to Section 604(1) of the Fair  
21 Credit Reporting Act, 15 U.S.C. § 1681b(1), any consumer reporting agency may  
22 furnish to the FTC a consumer report concerning any Defendant.

1                   **X. APPOINTMENT OF TEMPORARY RECEIVER**

2                   **IT IS FURTHER ORDERED** that Peter S. Davis is appointed Receiver  
3 for the business activities of Receivership Defendants with the full power of an  
4 equity receiver. The Temporary Receiver shall be an agent of this Court and  
5 solely an agent of this Court in acting as Temporary Receiver under this Order.  
6 The Temporary Receiver shall be accountable directly to this Court.

7                   **XI. DUTIES AND AUTHORITY OF RECEIVER**

8                   **IT IS FURTHER ORDERED** that the Temporary Receiver is directed  
9 and authorized to accomplish the following:

10                  A. Assume full control of the Receivership Defendants by removing,  
11 as the Temporary Receiver deems necessary or advisable, any director, officer,  
12 independent contractor, employee, or agent of any of the Receivership  
13 Defendants, including any named Defendant, from control of, management of, or  
14 participation in, the affairs of the Receivership Defendants;

15                  B. Take exclusive custody, control, and possession of all assets,  
16 documents, and electronically stored information of, or in the possession, custody,  
17 or under the control of, the Receivership Defendants, wherever situated. The  
18 Temporary Receiver shall have full power to divert mail and to sue for, collect,  
19 receive, take into possession, hold, and manage all assets and documents of the  
20 Receivership Defendants and other persons or entities whose interests are now  
21 held by or under the direction, possession, custody, or control of the Receivership  
22 Defendants. *Provided, however,* that the Temporary Receiver shall not attempt  
23 to collect or receive any amount from a consumer if the Temporary Receiver  
24 believes the consumer was a victim of the unlawful conduct alleged in the  
25 Complaint in this matter;

26                  C. Take all steps necessary to secure the business premises of the  
27 Receivership Defendants. Such steps may include, but are not limited to, the  
28 following, as the Temporary Receiver deems necessary or advisable: (1) serving  
and filing this Order; (2) completing a written inventory of all Receivership assets;



1 (3) obtaining pertinent information from all employees and other agents of the  
2 Receivership Defendants, including, but not limited to, the name, home address,  
3 social security number, job description, method of compensation, and all accrued  
4 and unpaid commissions and compensation of each such employee or agent, and  
5 all computer hardware and software passwords; (4) videotaping and/or  
6 photographing all portions of the location; (5) securing the location by changing  
7 the locks and disconnecting any computer modems or other means of access to the  
8 computer or other records maintained at that location; (6) requiring any persons  
9 present on the premises at the time this Order is served to leave the premises, to  
10 provide the Temporary Receiver with proof of identification, and to demonstrate  
11 to the satisfaction of the Temporary Receiver that such persons are not removing  
12 from the premises documents or assets of the Receivership Defendants; and (7)  
13 requiring all employees, independent contractors, and consultants of the  
14 Receivership Defendants to complete a questionnaire submitted by the Temporary  
15 Receiver;

16 B. Conserve, hold, and manage all Receivership assets, and perform all  
17 acts necessary or advisable to preserve the value of those assets, in order to  
18 prevent any irreparable loss, damage, or injury to consumers or to creditors of the  
19 Receivership Defendants, including, but not limited to, obtaining an accounting  
20 of the assets and preventing transfer, withdrawal, or misapplication of assets;

21 C. Liquidate any and all securities or commodities owned by or for the  
22 benefit of the Receivership Defendants as the Receiver deems to be advisable or  
23 necessary;

24 D. Enter into contracts and purchase insurance as the Temporary  
25 Receiver deems to be advisable or necessary;

26 E. Prevent the inequitable distribution of assets and determine, adjust,  
27 and protect the interests of consumers and creditors who have transacted business  
28 with the Receivership Defendants;

1 F. Manage and administer the business of the Receivership Defendants  
2 until further order of this Court by performing all incidental acts that the  
3 Temporary Receiver deems to be advisable or necessary, which includes retaining,  
4 hiring, or dismissing any employees, independent contractors, or agents;

5 G. Choose, engage, and employ attorneys, accountants, appraisers, and  
6 other independent contractors and technical specialists, as the Temporary Receiver  
7 deems advisable or necessary in the performance of duties and responsibilities  
8 under the authority granted by this Order;

9 H. Make payments and disbursements from the Receivership estate that  
10 are necessary or advisable for carrying out the directions of, or exercising the  
11 authority granted by, this Order. The Temporary Receiver shall apply to the Court  
12 for prior approval of any payment of any debt or obligation incurred by the  
13 Receivership Defendants prior to the date of entry of this Order, except payments  
14 that the Temporary Receiver deems necessary or advisable to secure assets of the  
15 Receivership Defendants, such as rental payments;

16 I. Determine and implement measures to ensure that the Receivership  
17 Defendants comply with, and prevent violations of, this Order and all other  
18 applicable laws, including, but not limited to, revising sales materials and  
19 implementing monitoring procedures;

20 J. Institute, compromise, adjust, appear in, intervene in, or become  
21 party to such actions or proceedings in state, federal, or foreign courts that the  
22 Temporary Receiver deems necessary and advisable to preserve or recover the  
23 assets of the Receivership Defendants, or that the Temporary Receiver deems  
24 necessary and advisable to carry out the Receiver's mandate under this Order;

25 K. Defend, compromise, adjust, or otherwise dispose of any or all  
26 actions or proceedings instituted in the past or in the future against the Temporary  
27 Receiver in his role as Temporary Receiver, or against the Receivership  
28 Defendants, that the Temporary Receiver deems necessary and advisable to  
preserve the assets of the Receivership Defendants or that the Temporary Receiver

1 | deems necessary and advisable to carry out the Temporary Receiver's mandate  
2 | under this Order;

3 |       L.       Continue and conduct the business of the Receivership Defendants  
4 | in such manner, to such extent, and for such duration as the Temporary Receiver  
5 | may in good faith deem to be necessary or appropriate to operate the business  
6 | profitably and lawfully, if at all; *provided, however*, that the continuation and  
7 | conduct of the business shall be conditioned upon the Temporary Receiver's good  
8 | faith determination that the businesses can be lawfully operated at a profit using  
9 | the assets of the receivership estate;

10 |       M.       Take depositions and issue subpoenas to obtain documents and  
11 | records pertaining to the receivership estate and compliance with this Order.  
12 | Subpoenas may be served by agents or attorneys of the Temporary Receiver and  
13 | by agents of any process server retained by the Temporary Receiver;

14 |       N.       Open one or more bank accounts in Arizona as designated  
15 | depositories for funds of the Receivership Defendants. The Temporary Receiver  
16 | shall deposit all funds of the Receivership Defendants in such a designated  
17 | account and shall make all payments and disbursements from the receivership  
18 | estate from such account(s);

19 |       O.       Maintain accurate records of all receipts and expenditures that he  
20 | makes as Temporary Receiver;

21 |       P.       Cooperate with reasonable requests for information or assistance  
22 | from any state or federal law enforcement agency; and

23 |       Q.       Maintain the chain of custody of all of Defendants' records in his  
24 | possession, pursuant to procedures to be established in writing with the approval  
25 | of the FTC.

26 |       **XII. IMMEDIATE ACCESS TO BUSINESS PREMISES AND**  
27 |       **RECORDS**

28 |       **IT IS FURTHER ORDERED** that Defendants and their officers,  
directors, agents, servants, employees, attorneys, and all other persons, directly or

1 indirectly, in whole or in part, under their control, and all other persons in active  
2 concert or participation with them who receive actual notice of this Order by  
3 personal service, or otherwise, whether acting directly or through any corporation,  
4 subsidiary, division, or device, shall:

5       A.     Immediately identify to FTC's counsel and the Temporary Receiver:  
6 (1)     all of Defendants' business premises; (2) any non-residence premises  
7 where any Defendant conducts business, sales operations, or customer service  
8 operations; (3) any non-residence premises where documents or electronically  
9 stored information related to the business, sales operations, or customer service  
10 operations of any Defendant are hosted, stored, or otherwise maintained,  
11 including, but not limited to, the name and location of any electronic data hosts;  
12 and (4) any non-residence premises where assets belonging to any Defendant are  
13 stored or maintained;

14       B.     Allow the FTC and the Temporary Receiver, and their respective  
15 representatives, agents, attorneys, investigators, paralegals, contractors, or  
16 assistants, immediate access to: (1) all of the Defendants' business premises,  
17 including, but not limited to: (a) 2655 W. Guadalupe Rd., Suite 9, Mesa, Arizona  
18 85202, and such other business locations that are wholly or partially owned,  
19 rented, leased, or under the temporary or permanent control of any Defendant; (2)  
20 any other premises where the Defendants conduct business, sales operations, or  
21 customer service operations; (3) any premises where documents related to the  
22 Defendants' businesses are stored or maintained; (4) any premises where assets  
23 belonging to any Defendant are stored or maintained; and (5) any documents  
24 located at any of the locations described in this Section;

25       C.     Provide the FTC and the Temporary Receiver, and their respective  
26 representatives, agents, attorneys, investigators, paralegals, contractors, or  
27 assistants, with any necessary means of access to, copying of, and forensic  
28 imaging of documents or electronically stored information, including, without  
limitation, the locations of Receivership Defendants' business premises, keys and

1 combinations to business premises locks, computer access codes of all computers  
2 used to conduct Receivership Defendants' business, access to (including, but not  
3 limited to, execution of any documents necessary for access to and forensic  
4 imaging of) any data stored, hosted, or otherwise maintained by an electronic data  
5 host, and storage area access information;

6 D. The FTC and the Temporary Receiver are authorized to employ the  
7 assistance of law enforcement officers, including, but not limited to, the United  
8 States Postal Inspection Service, Internal Revenue Service, Federal Bureau of  
9 Investigation, and local police to effect service, to implement peacefully the  
10 provisions of this Order, and to keep the peace. The Temporary Receiver shall  
11 allow the FTC and its representatives, agents, contractors, or assistants into the  
12 premises and facilities described in this Section to inspect, inventory, image, and  
13 copy documents or electronically stored information relevant to any matter  
14 contained in this Order. Counsel for the FTC and the Temporary Receiver may  
15 exclude Defendants and their agents and employees from the business premises  
16 and facilities during the immediate access. No one shall interfere with the FTC's  
17 or Temporary Receiver's inspection of the Defendants' premises or documents;

18 E. The Temporary Receiver and the FTC shall have the right to remove  
19 any documents related to Defendants' business practices from the premises in  
20 order that they may be inspected, inventoried, and copied. The materials so  
21 removed shall be returned within five (5) business days of completing said  
22 inventory and copying. If any property, records, documents, or computer files  
23 relating to the Receivership Defendants' finances or business practices are located  
24 in the residence of any Defendant or are otherwise in the custody or control of any  
25 Defendant, then such Defendant shall produce them to the Temporary Receiver  
26 within twenty-four (24) hours of service of this Order. In order to prevent the  
27 destruction of computer data, the Temporary Receiver shall isolate all computers  
28 from outside access. The FTC's and the Temporary Receiver's representatives  
may also photograph and videotape the inside and outside of all premises to which

1 they are permitted access by this Order, and all documents and other items found  
2 on such premises;

3 F. The FTC's access to the Defendants' documents pursuant to this  
4 provision shall not provide grounds for any Defendant to object to any subsequent  
5 request for documents served by the FTC; and

6 G. The Temporary Receiver shall have the discretion to determine the  
7 time, manner, and reasonable conditions of such access.

8 **XIII. COOPERATION WITH TEMPORARY RECEIVER**

9 **IT IS FURTHER ORDERED** that Defendants, and their officers, agents,  
10 directors, servants, employees, attorneys, and all other persons in active concert  
11 or participation with them, who receive actual notice of this Order by personal  
12 service, or otherwise, whether acting directly or through any corporation,  
13 subsidiary, division, or other device, are hereby temporarily restrained and  
14 enjoined from:

15 A. Failing to fully cooperate with and assist the Temporary Receiver.  
16 Defendants' cooperation and assistance shall include, but not be limited to: (1)  
17 providing any information to the Temporary Receiver that the Temporary  
18 Receiver deems necessary to exercising the authority and discharging the  
19 responsibilities of the Temporary Receiver under this Order, including, but not  
20 limited to, allowing the Temporary Receiver to inspect documents and assets and  
21 to partition office space; (2) providing any username or password and executing  
22 any documents required to access any computer or electronic files in any medium,  
23 including, but not limited to, electronically stored information stored, hosted or  
24 otherwise maintained by an electronic data host; and (3) advising all persons who  
25 owe money to the Receivership Defendants that all debts should be paid directly  
26 to the Temporary Receiver; and

27 B. Transacting any of the business of the Receivership Defendants;

28 C. Destroying, secreting, erasing, mutilating, defacing, concealing,  
altering, transferring or otherwise disposing of, in any manner, directly or

1 indirectly, any documents, electronically stored information, or equipment of the  
2 Receivership Defendants, including, but not limited to, contracts, agreements,  
3 consumer files, consumer lists, consumer addresses and telephone numbers,  
4 correspondence, advertisements, brochures, sales material, sales presentations,  
5 documents evidencing or referring to Defendants' services, training materials,  
6 scripts, data, computer tapes, disks, external storage devices, or other  
7 computerized records, books, written or printed records, handwritten notes,  
8 telephone logs, "verification" or "compliance" tapes or other audio or video tape  
9 recordings, receipt books, invoices, postal receipts, ledgers, personal and business  
10 canceled checks and check registers, bank statements, appointment books, copies  
11 of federal, state, or local business or personal income or property tax returns,  
12 photographs, mobile devices, electronic storage media, accessories, and any other  
13 documents, records, or equipment of any kind that relate to the business practices  
14 or business or personal finances of the Receivership Defendants or any other  
15 entity directly or indirectly under the control of the Receivership Defendants;

16 D. Transferring, receiving, altering, selling, encumbering, pledging,  
17 assigning, liquidating, or otherwise disposing of any assets owned, controlled, or  
18 in the possession or custody of, or in which an interest is held or claimed by, the  
19 Receivership Defendants or the Temporary Receiver;

20 E. Excusing debts owed to the Receivership Defendants;

21 F. Failing to notify the Temporary Receiver of any asset, including  
22 accounts, of a Receivership Defendant held in any name other than the name of  
23 the Receivership Defendant, or by any person or entity other than the Receivership  
24 Defendant, or failing to provide any assistance or information requested by the  
25 Temporary Receiver in connection with obtaining possession, custody, or control  
26 of such assets;

27 G. Failing to create and maintain books, records, and accounts which,  
28 in reasonable detail, accurately, fairly, and completely reflect the incomes, assets,

1 disbursements, transactions, and use of monies by the Defendants or any other  
2 entity directly or indirectly under the control of the Defendants;

3 H. Doing any act or refraining from any act whatsoever to interfere  
4 with the Temporary Receiver's taking custody, control, possession, or managing  
5 of the assets or documents subject to this Receivership; or to harass or to interfere  
6 with the Temporary Receiver in any way; or to interfere in any manner with the  
7 exclusive jurisdiction of this Court over the assets or documents of the  
8 Receivership Defendants; or to refuse to cooperate with the Temporary Receiver  
9 or the Temporary Receiver's duly authorized agents in the exercise of their duties  
10 or authority under any Order of this Court; and

11 I. Filing, or causing to be filed, any petition on behalf of the  
12 Receivership Defendants for relief under the United States Bankruptcy Code, 11  
13 U.S.C. § 101 *et seq.*, without prior permission from this Court.

#### 14 **XIV. DELIVERY OF RECEIVERSHIP PROPERTY**

15 **IT IS FURTHER ORDERED** that immediately upon service of this Order  
16 upon them or upon their otherwise obtaining actual knowledge of this Order, or  
17 within a period permitted by the Temporary Receiver, Defendants and any other  
18 person or entity, including, but not limited to, financial institutions and electronic  
19 data hosts, shall transfer or deliver access to, possession, custody, and control of  
20 the following to the Temporary Receiver:

21 A. All assets of the Receivership Defendants;

22 B. All documents and electronically stored information of the  
23 Receivership Defendants, including, but not limited to, books and records of  
24 accounts, all financial and accounting records, balance sheets, income statements,  
25 bank records (including monthly statements, canceled checks, records of wire  
26 transfers, records of ACH transactions, and check registers), client or customer  
27 lists, title documents and other papers;

28 C. All assets belonging to members of the public now held by the  
Receivership Defendants;



1           D.     All keys, computer and other passwords, user names, entry codes,  
2 combinations to locks required to open or gain or secure access to any assets or  
3 documents of the Receivership Defendants, wherever located, including, but not  
4 limited to, access to their business premises, means of communication, accounts,  
5 computer systems, or other property; and

6           E.     Information identifying the accounts, employees, properties, or other  
7 assets or obligations of the Receivership Defendants; and

8           F.     In the event any person or entity fails to deliver or transfer  
9 immediately any asset or otherwise fails to comply with any provision of this  
10 Section XIV, the Temporary Receiver may file *ex parte* with the Court an  
11 Affidavit of Non-Compliance regarding the failure. Upon filing of the affidavit,  
12 the Court may authorize, without additional process or demand, Writs of  
13 Possession or Sequestration or other equitable writs requested by the Receiver.  
14 The writs shall authorize and direct the United States Marshal or any sheriff or  
15 deputy sheriff of any county to seize the asset, document, or other thing and to  
16 deliver it to the Temporary Receiver.

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**XV. COMPENSATION FOR RECEIVER**

**IT IS FURTHER ORDERED** that the Temporary Receiver and all personnel hired by the Temporary Receiver as herein authorized, including counsel to the Temporary Receiver and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order, and for the cost of actual out-of-pocket expenses incurred by them, from the assets now held by or in the possession or control of, or which may be received by, the Receivership Defendants. The Temporary Receiver shall file with the Court and serve on the parties periodic requests for the payment of such reasonable compensation, with the first such request filed no more than sixty (60) days after the date of this Order. The Temporary Receiver shall not increase the hourly rates used as the bases for such fee applications without prior approval of the Court.

**XVI. RECEIVER'S REPORTS**

**IT IS FURTHER ORDERED** that the Temporary Receiver shall report to this Court on or before the date set for the hearing to Show Cause regarding the Preliminary Injunction, regarding: (1) the steps taken by the Temporary Receiver to implement the terms of this Order; (2) the value of all liquidated and unliquidated assets of the Receivership Defendants; (3) the sum of all liabilities of the Receivership Defendants; (4) the steps the Temporary Receiver intends to take in the future to: (a) prevent any diminution in the value of assets of the Receivership Defendants, (b) pursue receivership assets from third parties, and (c) adjust the liabilities of the Receivership Defendants, if appropriate; (5) the Receiver's assessment of whether the business can be operated in compliance with this Order; and (6) any other matters that the Temporary Receiver believes should be brought to the Court's attention. *Provided, however*, if any of the required information would hinder the Temporary Receiver's ability to pursue receivership assets, the portions of the Temporary Receiver's report containing such information may be filed under seal and not served on the parties.

**XVII. WITHDRAWAL OF TEMPORARY RECEIVER**

**IT IS FURTHER ORDERED** that should the Temporary Receiver wish to withdraw from his or her respective appointments or representations and apply for payment of professional fees and costs at any time after the date of this Order, the Temporary Receiver must send written notice seven (7) days prior to the date of the intended withdrawal to the Court and to the parties along with a written report reflecting the Temporary Receiver's work, findings, and recommendations, as well as an accounting for all funds and assets in possession or control of the Temporary Receiver. The Temporary Receiver shall be deemed closed upon approval by the Court of withdrawal. The Court will retain jurisdiction to consider the fee applications, report, and accounting submitted by the Receiver and the professionals. The written notice shall include an interim report indicating the Temporary Receiver's actions and reflect the knowledge gained along with the fee applications of the Temporary Receiver and his professionals. The report shall also contain the Temporary Receiver's recommendations, if any.

**XVIII. TEMPORARY RECEIVER'S BOND/LIABILITY**

**IT IS FURTHER ORDERED** that no bond shall be required in connection with the appointment of the Temporary Receiver. Except for an act of gross negligence, the Temporary Receiver and the professionals shall not be liable for any loss or damage incurred by any of the Defendants, their officers, agents, servants, employees, and attorneys or any other person, by reason of any act performed or omitted to be performed by the Temporary Receiver and the professionals in connection with the discharge of his or her duties and responsibilities, including, but not limited to, their withdrawal from the case under Section XVII.

**XIX. PROHIBITION ON RELEASE OF CONSUMER INFORMATION**

**IT IS FURTHER ORDERED** that, except as required by a law enforcement agency, law, regulation, or court order, Defendants, and their officers, agents, servants, employees, and attorneys, and all other persons in active concert or participation with any of them who receive actual notice of this Order by personal service, facsimile transmission, email, or otherwise, are temporarily restrained and enjoined from disclosing, using, or benefitting from consumer information, including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a consumer's account (including a credit card, bank account, or other financial account), of any person which any Defendant obtained prior to entry of this Order in connection with any mortgage assistance relief service.

**XX. STAY OF ACTIONS**

**IT IS FURTHER ORDERED** that:

A. Except by leave of this Court, during pendency of the Receivership ordered herein, Defendants and all other persons and entities be and hereby are stayed from taking any action to establish or enforce any claim, right, or interest for, against, on behalf of, in, or in the name of, the Receivership Defendants, any of their subsidiaries, affiliates, partnerships, assets, documents, or the Temporary Receiver or the Temporary Receiver's duly authorized agents acting in their capacities as such, including, but not limited to, the following actions:

1. Commencing, prosecuting, continuing, entering, or enforcing any suit or proceeding, except that such actions may be filed to toll any applicable statute of limitations;
2. Accelerating the due date of any obligation or claimed obligation; filing or enforcing any lien; taking or attempting to take possession, custody, or control of any asset; attempting to foreclose, forfeit, alter, or terminate any interest in any asset, whether such

1 acts are part of a judicial proceeding, are acts of self-help, or  
2 otherwise;

3 3. Executing, issuing, serving, or causing the execution,  
4 issuance or service of, any legal process, including, but not limited  
5 to, attachments, garnishments, subpoenas, writs of replevin, writs  
6 of execution, or any other form of process whether specified in this  
7 Order or not; or

8 4. Doing any act or thing whatsoever to interfere with the  
9 Temporary Receiver taking custody, control, possession, or  
10 management of the assets or documents subject to this  
11 Receivership, or to harass or interfere with the Temporary Receiver  
12 in any way, or to interfere in any manner with the exclusive  
13 jurisdiction of this Court over the assets or documents of the  
14 Receivership Defendants;

15 B. This Section does not stay:

16 1. The commencement or continuation of a criminal action or  
17 proceeding;

18 2. The commencement or continuation of an action or  
19 proceeding by a governmental unit to enforce such governmental  
20 unit's police or regulatory power;

21 3. The enforcement of a judgment, other than a money  
22 judgment, obtained in an action or proceeding by a governmental  
23 unit to enforce such governmental unit's police or regulatory power;  
24 or

25 4. The issuance to a Receivership Defendant of a notice of tax  
26 deficiency; and

27 C. Except as otherwise provided in this Order, all persons and entities  
28 in need of documentation from the Temporary Receiver shall in all instances first  
attempt to secure such information by submitting a formal written request to the

1 Receiver, and, if such request has not been responded to within thirty (30) days of  
2 receipt by the Temporary Receiver, any such person or entity may thereafter seek  
3 an Order of this Court with regard to the relief requested.

4 **XXI. LIMITED EXPEDITED DISCOVERY**

5 **IT IS FURTHER ORDERED** that the FTC is granted leave to conduct  
6 certain expedited discovery, and that, commencing with the time and date of this  
7 Order, in lieu of the time periods, notice provisions, and other requirements of  
8 Rules 26, 30, 34, and 45 of the Federal Rules of Civil Procedure, and applicable  
9 Local Rules, the FTC is granted leave to:

10 A. Take the deposition, on three (3) days' notice, of any person or  
11 entity, whether or not a party, for the purpose of discovering: (1) the nature,  
12 location, status, and extent of assets of Defendants or their affiliates or  
13 subsidiaries; (2) the nature and location of documents and business records of  
14 Defendants or their affiliates or subsidiaries; and (3) compliance with this Order.  
15 The limitations and conditions set forth in Fed. R. Civ. P. 30(a)(2)(B) and  
16 31(a)(2)(B) regarding subsequent depositions shall not apply to depositions taken  
17 pursuant to this Section. In addition, any such depositions taken pursuant to this  
18 Section shall not be counted toward the ten-deposition limit set forth in Fed. R.  
19 Civ. P. 30(a)(2)(A)(I) and 31(a)(2)(A)(I) and shall not preclude the FTC from  
20 subsequently deposing the same person or entity in accordance with the Federal  
21 Rules of Civil Procedure. Service of discovery upon a party, taken pursuant to  
22 this Section, shall be sufficient if made by facsimile, email, or by overnight  
23 delivery. Any deposition taken pursuant to this Subsection that has not been  
24 reviewed and signed by the deponent may be used by any party for purposes of the  
25 preliminary injunction hearing;

26 B. Serve upon parties requests for production of documents or  
27 inspection that require production or inspection within three (3) calendar days of  
28 service, and may serve subpoenas upon non-parties that direct production or  
inspection within five (5) calendar days of service, for the purpose of discovering:

1 (1) the nature, location, status, and extent of assets of Defendants or their affiliates  
2 or subsidiaries; (2) the nature and location of documents and business records of  
3 Defendants or their affiliates or subsidiaries; and (3) compliance with this Order,  
4 *provided that* twenty-four (24) hours' notice shall be deemed sufficient for the  
5 production of any such documents that are maintained or stored only as electronic  
6 data;

7 C. Serve deposition notices and other discovery requests upon the  
8 parties to this action by facsimile or overnight courier, and take depositions by  
9 telephone or other remote electronic means; and

10 D. If a Defendant fails to appear for a properly noticed deposition or  
11 fails to comply with a request for production or inspection, seek to prohibit that  
12 Defendant from introducing evidence at any subsequent hearing.

13 **XXII. SERVICE OF PLEADINGS**

14 **IT IS FURTHER ORDERED** that Defendants shall file any answering  
15 affidavits, pleadings, or legal memoranda with the Court and serve the same on  
16 counsel for the FTC no later than five (5) business days prior to the preliminary  
17 injunction hearing in this matter. The FTC may file responsive or supplemental  
18 pleadings, materials, affidavits, or memoranda with the Court and serve the same  
19 on counsel for Defendants no later than one (1) business day prior to the  
20 preliminary injunction hearing in this matter. *Provided that* service shall be  
21 performed by personal or overnight delivery, facsimile, or email, and documents  
22 shall be delivered so that they shall be received by the other parties no later than  
23 4 p.m. (Pacific Time) on the appropriate dates listed in this Section.

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1                   **XXIII. LIVE TESTIMONY; WITNESS IDENTIFICATION**

2                   **IT IS FURTHER ORDERED** that the question of whether this Court  
 3 should enter a preliminary injunction pursuant to Rule 65 of the Federal Rules of  
 4 Civil Procedure enjoining the Defendants during the pendency of this action shall  
 5 be resolved on the pleadings, declarations, exhibits, and memoranda filed by, and  
 6 oral argument of, the parties. Live testimony shall be heard only on further order  
 7 of this Court on motion filed with the Court and served on counsel for the other  
 8 parties at least five (5) business days prior to the preliminary injunction hearing  
 9 in this matter. Such motion shall set forth the name, address, and telephone  
 10 number of each proposed witness, a detailed summary or affidavit disclosing the  
 11 substance of each proposed witness' expected testimony, and an explanation of  
 12 why the taking of live testimony would be helpful to this Court. Any papers  
 13 opposing a timely motion to present live testimony or to present live testimony in  
 14 response to live testimony to be presented by another party shall be filed with this  
 15 Court and served on the other parties at least three (3) business days prior to the  
 16 preliminary injunction hearing in this matter. *Provided that* service shall be  
 17 performed by personal or overnight delivery, facsimile, or email, and documents  
 18 shall be delivered so that they shall be received by the other parties no later than  
 19 4 p.m. (Pacific Time) on the appropriate dates listed in this Section. *Provided*  
 20 *further*, however, that an evidentiary hearing on the Commission's request for a  
 21 preliminary injunction is not necessary unless Defendants demonstrate that they  
 22 have, and intend to introduce, evidence that raises a genuine material factual issue.

23                   **XXIV. DEFENDANTS' DUTY TO DISTRIBUTE ORDER**

24                   **IT IS FURTHER ORDERED** that Defendants shall immediately provide  
 25 a copy of this Order to each affiliate, subsidiary, division, sales entity, successor,  
 26 assign, officer, director, employee, independent contractor, client company,  
 27 electronic data host, agent, attorney, spouse, and representative of Defendants and  
 28 shall, within three (3) calendar days from the date of entry of this Order, provide  
 counsel for the FTC with a sworn statement that: (a) confirms that Defendants



1 have provided copies of the Order as required by this Section, and (b) lists the  
2 names and addresses of each entity or person to whom Defendants provided a  
3 copy of the Order. Furthermore, Defendants shall not take any action that would  
4 encourage officers, agents, directors, employees, salespersons, independent  
5 contractors, attorneys, subsidiaries, affiliates, successors, assigns, or other persons  
6 or entities in active concert or participation with Defendants to disregard this  
7 Order or believe that they are not bound by its provisions.

8 **XXV. DURATION OF TEMPORARY RESTRAINING ORDER**

9 **IT IS FURTHER ORDERED** that the Temporary Restraining Order  
10 granted herein shall expire on the 5th day of November, 2012, at 3:00 p.m.  
11 (Mountain Standard Time), unless within such time, the Order, for good cause  
12 shown, is extended with the consent of the parties, or for an additional period not  
13 to exceed fourteen (14) calendar days, or unless it is further extended pursuant to  
14 Federal Rule of Civil Procedure 65.

15 **XXVI. ORDER TO SHOW CAUSE WHY PRELIMINARY**  
16 **INJUNCTION SHOULD NOT ISSUE**

17 **IT IS FURTHER ORDERED** that, pursuant to Federal Rule of Civil  
18 Procedure 65(b), each of the Defendants shall appear before this Court in  
19 Courtroom 506 on the 31st day of October, 2012, at 2:00 p.m. (Mountain Standard  
20 Time), to show cause, if there is any, why this Court should not enter a  
21 preliminary injunction enjoining the violations of law alleged in the FTC's  
22 Complaint, continuing the freeze of their assets, and imposing such additional  
23 relief as may be appropriate.

24 **XXVII. CORRESPONDENCE WITH PLAINTIFF**

25 **IT IS FURTHER ORDERED** that, for the purposes of this Order, because  
26 mail addressed to the FTC is subject to delay due to heightened security screening,  
27 all correspondence and service of pleadings on Plaintiff shall be sent either via  
28 electronic submission or via Federal Express to:

Eleanor Durham  
Federal Trade Commission

1 915 2<sup>nd</sup> Ave., Suite 2896  
2 Seattle, WA 98174  
3 edurham@ftc.gov  
4 with a copy to:  
5 Laura M. Solis  
6 Federal Trade Commission  
7 915 2<sup>nd</sup> Ave., Suite 2896  
8 Seattle, WA 98174  
9 [lsolis@ftc.gov](mailto:lsolis@ftc.gov)

## 10 **XXVIII. SERVICE OF THIS ORDER**

### 11 **IT IS FURTHER ORDERED** that:

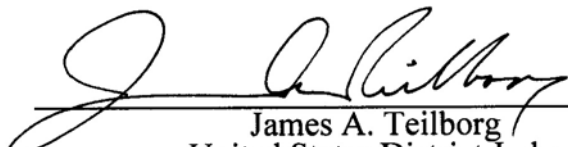
12 A. Copies of this Order may be served by facsimile transmission, email,  
13 personal or overnight delivery, or U.S. Mail, by agents and employees of the FTC  
14 or any state or federal law enforcement agency or by private process server, upon  
15 any financial institution or other entity or person that may have possession,  
16 custody, or control of any documents or assets of any Defendant, or that may  
17 otherwise be subject to any provision of this Order. Service upon any branch or  
18 office of any financial institution shall effect service upon the entire financial  
19 institution; and

20 B. For purposes of service on anyone in possession of records, assets,  
21 property or property rights, actual notice of this Order shall be deemed complete  
22 upon notification by any means including, but not limited to notice by service by  
23 facsimile transmission of the first page, Paragraphs VI, VII, and XIV, and the last  
24 page of this Order, provided that notice is followed within five (5) business days  
25 by delivery of a complete copy of this Order.  
26  
27  
28

**XXIX. RETENTION OF JURISDICTION**

**IT IS FINALLY ORDERED** that this Court shall retain jurisdiction of this matter for all purposes of construction, modification, and enforcement of this Order.

DATED this 22<sup>nd</sup> day of October, 2012.

  
James A. Teilborg  
United States District Judge

Copies to Only: Counsel for Plaintiff